GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:1375
ANSWERED ON:08.12.2004
SPECIAL COMPONENT SCHEME
Jogi Shri Ajit

Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a): the criterion for selection of various districts under special component scheme of Khadi and Gramodyog Commission; and

(b): the names of the districts selected under it particularly in Chhattisgarh?

Answer

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD)

(a): In the Special Employment Programme (SEP) for 50 selected Backward Districts taken up by the Khadi and Village Industries Commission (KVIC), it was proposed to generate employment at the rate of 10,000 per District by 1996-97 in the Khadi and Village Industries sector. The Scheme was being implemented by KVIC through registered societies directly registered with KVIC, State-level Khadi and Village Industries Boards (KVIBs), non- Governmental Organisations (NGOs), etc. The beneficiaries were selected from those below the poverty line. For this purpose, the system followed by the District Rural Development Agencies(DRDAs) for identification and selection of beneficiaries was adopted. These beneficiaries were identified and selected by a Project Monitoring Committee under the chairmanship of the District Collector concerned and consisting of local representatives of the KVIC, DRDA, banks and other implementing agencies.

The main criteria adopted for selection of Districts were:

(i) industrial backwardness;

(ii) percentage of population of SC/STs;

(iii) employment potential;

(iv) wage level;

(v) development potential; and

(vi) otal population of district

(b): Under the Special Employment Programme (SEP), Sarguja and Raipur Districts of Chhattisgarh State(then Districts of Madhya Pradesh) were selected. The Scheme was, however, phased out in 1997 partly because the KVIC, by 1995, started implementing the Rural Employment Generation Programme (REGP) throughout the country, including all the Districts of Chhattisgarh. Under the REGP, entrepreneurs can establish agro and rural industries, including village industries, by availing of margin money assistance from the KVIC and loans from any public sector scheduled commercial bank, for projects with a maximum cost of Rs. 25 lakh. The permissible margin money assistance is as detailed in the table below:

Margin Money Assistance under REGP

Sl.No.	Category of Beneficiary	Project Cost	Margin money Assistance
1	General	Upto Rs. 10 lakh	25% of project cost
2	SC/ST/Women/Ex-Serviceman/NE Region/Hill Areas	Upto Rs. 10 lakh	30% of project cost
3	General	Rs. 10 lakh and Upto Rs. 25 lakh	Rs. 2.5 lakh + 10% of balance project cost
4	SC/ST/Women/Ex-Serviceman/NE Region/Hill Areas	Rs. 10 lakh and Upto Rs. 25 lakh	Rs. 3 lakh + 10% of balance project cost